

Purpose of the Capital Improvements Program

This section provides detailed information on the County's Capital Improvements Program (CIP). Included in this section is the description and available funding for existing capital projects that have been financed through previous bond issues, capital outlay notes, grants or the General Fund.

An effective CIP is an important tool to promote advanced planning for future needs and the means to meet them. As a planning tool, the CIP helps to ensure that land acquisitions and construction projects are coordinated and well timed to avoid unnecessary or costly duplications. Also, since the CIP is reviewed and updated on an annual basis, long-range needs can be adjusted to reflect changing circumstances or priorities.

As a financial plan, the CIP represents land acquisition and facility planning in an environment of fiscal constraint in several ways. First, projects under consideration are evaluated annually against one another to assure that only priority projects receive funding. Second, essential improvements are planned in a manner commensurate with the County's ability to pay for them. As growth continues, the CIP will help the County avoid costly crisis expenditures of dollars that could dramatically increase the tax rate. Finally, the CIP attempts to take into account not only the construction costs of completing a capital project, but also the impact on the County's operating budget in subsequent years.

The CIP Process

Each year the County updates its long-range CIP plan. As part of the CIP process, the County departments and the Department of Education are asked to review and prioritize their capital needs for the next five years. They submit CIP requests, including project justifications and cost estimates, to the Finance Division to be reviewed for cost effectiveness, affordability and demonstrated need. The approved capital outlay budget funded by the General Fund is adopted as part of the Operating Budget for the coming year. The capital improvements funded by General Obligation Bonds or Notes are formally adopted by the County Commission when the Bond Resolution is approved. The CIP is funded each year from a variety of sources including debt proceeds, County appropriations and Federal and State aid as set forth below. Since departmental needs often change over time, the CIP is considered preliminary and subject to change by the County Commission for a given fiscal year. The General Obligation Bond CIP and County General Fund expenditures, in thousands, for fiscal years 2003-2005, by activity, are as follows:

<u>DIVISION</u>	Actual 2003	Actual 2004	Budget 2005	Projected 2005	Available 2006
Schools	\$13,001	\$15,880	\$16,357	\$ 8,935	\$ 7,422
General Government	19,879	15,511	38,567	17,902	23,274
Total	\$32,880	\$31,391	\$54,924	\$26,837	\$33,696

Current Capital Improvements Projects

Listed below are the uncompleted projects that have been funded by 1) General Fund appropriations for Capital Outlay from the operating budget FY 2006 2) General Obligation Bonds with no impact on the General Fund operating budget (unless otherwise indicated). Those projects funded by the General Fund, sale of land or special fees are allocated when funds are available and special needs have been established. Each project description reflects capital funds available for FY 2005, estimated expenditures for the projects during 2005 and capital funds for the completion of the project. The available funding for FY 2006 projects for Hamilton County and the Department of Education is \$33,696,231.

Accounting Department

Funding Sources: Bond Funds/General Fund

The Accounting Department plans to update the office suite with new carpet, furniture, fixtures and computer equipment. Three million dollars was allocated for a new financial software package.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
2,807,023	1,042,335	1,769,488

Impact on the General Fund: Estimated \$60,000 yr. for financial software service contract and \$4,800 in FY 2006 for computers.

County Auditor

Funding Sources: Bond Funds/General Fund

The County Auditor plans to update the office suite with new carpet, furniture, fixtures and equipment.

Total Available FY 2005	Estimated Obligations FY 2005	Total Remaining FY 2006
120,365	-	120,365

Impact on the General Fund: FY 2006 - \$6,000

County Commission

Funding Sources: Bond Funds/General Fund

The County Board of Commission plans to install a computer network and update office machines and software.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
40,000	-	44,000

Impact on the General Fund: FY 2006 0 - \$4,000

Courthouse Renovations

Funding Sources: Bond Funds

The Courthouse renovations began with the FY 02 budget year. The funding will provide for updated communication technology facilities along with renovation of the existing structure and furnishings.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
3,470,468	-	3,470,468

Impact on the General Fund: None

Election Commission

Funding Sources: Bond Funds/General Fund

The Election Commission is scheduled to begin construction of a new building in FY 2006. The General Fund operating budget also includes an appropriation for laptop computers for early voting sites.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
1,205,000	-	1,227,500

Impact on the General Fund: FY 2006 - \$22,500

Emergency Management Services

Funding Sources: Bond Funds/General Fund

The General Fund appropriation includes funding for fire training equipment and repair and maintenance cost for 800 Mhz radio equipment. The bond funds will provide for communication equipment.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
120,685	79,293	107,975

Impact on the General Fund: FY 2006 - \$66,583

Emergency Medical Services

Funding Sources: Bond Funds/General Fund
The General Fund appropriation includes funding for miscellaneous ambulance and emergency vehicle repairs and an additional supervisor vehicle.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
177,844	134,081	447,362

Impact on the General Fund: FY 2006 - \$403,599

Engineering

Funding Sources: Bond Funds/General Fund
Included in this capital improvement activity is Engineering's projected cost of roadway construction and drainage construction. The General Fund appropriation includes funding for three replacement vehicles.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
1,039,331	22,834	1,114,897

Impact on the General Fund: FY 2006 - \$98,400

Health Department

Funding Sources: Bond Funds/General Fund
This activity includes funding for exterior granite restoration for the 3rd Street Building.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
151,602	-	180,502

Impact on the General Fund: FY 2006 - \$28,900

Highway Department

Funding Sources: Bond Funds/General Fund
This activity provides funding for heavy equipment used in road construction and maintenance. The General Fund appropriation includes funding for two pickup trucks.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
702,641	297,895	449,146

Impact on the General Fund: FY 2006 - \$44,400

Industrial Development Projects

Fund Source: Bond Funds
The Industrial Development Projects include funding for the purpose of developing land to encourage commercial, industrial and manufacturing enterprises to locate within the boundaries of Hamilton County.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
\$19,357,576	14,387,672	4,969,904

Impact on the General Fund: None

Information Technology Services Projects:

Funding Source: Bond Funds/General Fund
The County's ITS Department bond fund appropriation is for an alternative data site and remodeling. The General Fund appropriation includes servers and service upgrades.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
105,179	-	213,929

Impact on the General Fund: FY 2006 - \$108,750

Maintenance Projects

Funding Sources: Bond Funds/General Fund
This activity provides for restoration of two restrooms in the M.L. King Building. The General Fund appropriation provides funding for a new boiler for the Justice Building.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
58,886	17,050	241,836

Impact on the General Fund: FY 2006 - \$200,000

Microfilm

Fund Sources: Bond Funds/General Fund
The Microfilm Department appropriation provides for an upgrade to a T1 circuit for the telephone system.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
34,765	-	43,165

Impact on the General Fund: FY 2006 - \$8,400

Miscellaneous Projects

Funding Sources: Bond Funds/General Fund

The County has several smaller projects that are consolidated under this category. Also included in this activity is the administration expense of the bond funds. The General Fund appropriation includes vehicles, computers and printers.

Available FY 2005	Obligations FY 2005	Available FY 2006
708,509	-	1,663,549

Impact on the General Fund: FY 2006 - \$955,040

Newell Tower HVAC

Fund Source: Bond Funds

Funding for a new HVAC system in the Newell Towers is provided for in this activity.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
400,000	-	400,000

Impact on the General Fund: None

Recreation Projects

Funding Sources: Bond Funds/General Fund

The Recreation Department is responsible for developing additional recreational facilities.

Available FY 2005	Obligations FY 2005	Available FY 2006
2,039,850	591,901	1,447,949

Impact on the General Fund: None

Recycling Project

Funding Sources: Bond Funds/General Fund

The Recycling Department is scheduled to complete an additional recycling center in FY 06. The site will require roadway construction and prep site construction.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
98,807	-	100,457

Impact on the General Fund: \$12,437 per year in addition to \$1,650 for FY 2006.

Riverpark Projects

Funding Sources: Bond Funds/General Fund

The General Fund provides for lawn mowers, paving and one truck.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
13,416	9,937	175,817

Impact on the General Fund: FY 2006 - \$172,338

Sheriff Department Projects

Funding Sources: Bond Funds/General Fund

The General Fund appropriation includes new patrol cars and vehicle equipment packages.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
175,226	113,472	550,972

Impact on the General Fund: FY 2006 - \$489,218

Waste Water Treatment Authority Projects

Funding Source: Bond Funds

This project includes construction of additional water and sewer lines.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
5,740,493	1,205,212	4,535,281

Impact on the General Fund: None

Schools

Funding Source: Bond Funds

The appropriations for schools is for the purchase of land, construction and capital maintenance and repairs for the Hamilton County Schools.

Total Available FY 2005	Estimated Obligations FY 2005	Total Available FY 2006
16,356,940	8,935,271	7,421,669

Impact on the General Fund: There is no impact on the General Fund for the building and maintenance of schools. The Department of Education is a discretely presented component unit of the County. The bonds are issued by the County and are accounted for by the County but the assets and maintenance costs are accounted for by the Department of Education.